



**REQUEST FOR PROPOSALS (“RFP”) for
INDIANA INVESTMENT FUND II (“IIF-II”)**

RFP NUMBER 12-03

RELEASE DATE: SEPTEMBER 26, 2012

DEADLINE FOR INQUIRIES: OCTOBER 3, 2012, BY 3:00 PM EDT

DEADLINE FOR SUBMISSION: OCTOBER 12, 2012, BY 3:00 PM EDT

Table of Contents

Section 1 – Introduction	3
1.1 Title	3
1.2 Overview of Request for Implementation and Administration of IIF-II	3
1.3 INPRS Background.....	3
1.4 Issuer	4
1.5 Contacts.....	4
1.6 Inquiries About the RFP for INPRS.....	5
1.7 Invitation to Submit Proposals	5
1.8 Modification or Withdrawal of Offers	6
1.9 Confidential Information.....	6
1.10 RFP Response Costs	6
1.11 Proposal Life	6
1.12 Taxes	7
1.13 Secretary of State Registration	7
1.14 Discussion Format.....	7
1.15 Compliance Certification	7
1.16 Summary of Milestones	8
Section 2 – Proposal Content Requirements	9
2.1 General Instructions	9
2.2 Transmittal Letter.....	9
2.3 Business Proposal.....	10
2.4 Fee Proposal	11
Section 3 – Scope of Services.....	12
Section 4 – Contract Award	13
4.1 Length of Contract	13
4.2 Minority Business Development.....	13
4.3 Evaluation Criteria	13
Appendix A – Draft IIF-II Summary of Terms	15
Appendix B – Mandatory Respondent Forms.....	18
B.1 Indiana Economic Impact Statement.....	18
B.2 Taxpayer Identification Number Request	20
B.3 Application for Certificate of Authority of a Foreign Corporation	22
Appendix C - Questionnaire	23

SECTION 1 – INTRODUCTION

1.1 Title

Request for Proposals (“RFP”) for implementation and administration of IIF-II for the Indiana Public Retirement System (“INPRS” or the “System”).

1.2 Overview of Request for Implementation and Administration of IIF-II

INPRS is soliciting proposals from all qualified general partners, managing members, and separate account investment managers (collectively, “Respondents”) to provide the following:

Portfolio management services for customized Indiana-Focused Private Equity Investment Programs within INPRS’ strategic allocation to private equity, as described in Section 3 - Scope of Services.

Strategic Investment Solutions, Inc. (“SIS”), the System’s private markets investment consultant, is assisting INPRS with this RFP.

1.3 INPRS Background

1.3.1 History

INPRS is an independent body corporate and politic established under Indiana law. The System is not a department or agency of the state but is an independent instrumentality exercising essential government functions. INPRS was established by legislation to manage the retirement funds of certain public employees throughout the State of Indiana. The State of Indiana officially approved the merger of the Public Employees’ Retirement Fund (“PERF”) board and the Indiana State Teachers’ Retirement Fund (“TRF”) board into one legal entity, INPRS, in 2011.

INPRS administers seven Defined Benefit (“DB”) plans. PERF, effective July 1, 1945, was initially created to provide pension benefits for Indiana’s public employees. Since then, the following five additional retirement funds have been created:

- 1977 and 1985 Judges’ Retirement System (“JRS”);
- 1977 Police Officers’ and Firefighters’ Pension and Disability Fund (“1977 Fund”);
- State Excise Police, Gaming Agent, Gaming Control Officer and Conservation Enforcement Officers’ Retirement Plan (“C&E Plan”);
- Legislators’ Retirement System (“LRS”);
- Prosecuting Attorneys’ Retirement Fund (“PARF”)

INPRS also administers TRF, created in 1921 by the Indiana General Assembly. TRF provides retirement benefits for public school teachers and other teaching professionals who work for state-funded institutions, such as colleges and universities.

These seven funds (PERF, TRF, JRS, 1977 Fund, C&E Plan, LRS, and PARF) are managed separately and administered by INPRS. For additional information regarding INPRS and the retirement funds detailed above, please access: <http://www.in.gov/inprs/>.

1.3.2 Role

INPRS is responsible for receiving contributions from participating employers and members, investing those funds in a prudent manner, and paying benefits to qualifying members of the seven retirement funds. Services offered are fairly uniform across each of the seven funds, with certain exceptions based on the provisions that govern the specific plan.

Retirement benefits are based on creditable service and consist of a defined benefit pension plus an Annuity Savings Account (“ASA”) for PERF and TRF only. The defined benefit pension is a lifetime monthly retirement benefit funded by employers. The ASA is an individual account funded by a mandatory contribution from either the member or employer. Members may also choose to make voluntary pre- and/or post-tax contributions to the ASA.

1.3.3 Member Base

PERF’s member base (which includes PERF, JRS, 1977 Fund, C&E Plan, LRS, and PARF) consists of approximately 340,000 members, including about 70,000 benefit recipients. PERF and the 1977 Fund are both multiple-employer retirement plans with a total of approximately 1,200 participating employers statewide. All other plans administered by PERF are plans sponsored by a single employer: the State of Indiana.

TRF provides benefits to more than 160,000 members, including 46,000 benefit recipients from about 370 participating employers. Defined benefit funding for members hired before July 1, 1995, is on a “pay as you go” basis, and allocations for benefits are appropriated annually by the legislature. For members hired on or after July 1, 1995, individual employers fund the benefits with actuarially determined contributions.

1.4 Issuer

INPRS is issuing this RFP in accordance with Indiana statutes governing the procurement of services and certain administrative policies of INPRS. The staff of INPRS has prepared the content of this RFP. One (1) copy of this RFP may be provided free of charge from INPRS or an electronic copy may be obtained from the following website: <http://www.in.gov/inprs/quoting.htm>. Additional copies are available at the rate of \$0.10 per page.

1.5 Contacts

Inquiries from Respondents are not to be directed to any staff or member of the Board of Trustees of INPRS or SIS, except as outlined in *Section 1.6* of this RFP. Such unauthorized communication(s) may disqualify Respondent from further consideration. INPRS reserves the right to discuss any part of any

response for the purpose of clarification. Respondents will be given equal access to any communications about the RFP between INPRS and other Respondents.

1.6 Inquiries About the RFP for INPRS and SIS

All inquiries and requests for additional information regarding this RFP must be submitted by email to the contact below no later than due dates outlined in *Section 1.16* of this RFP.

Stanton Lanman
Procurement Officer
procurements@inprs.in.gov

Strategic Investment Solutions
PrivateEq@sis-sf.com

INPRS and SIS reserve the right to judge whether any questions should be answered in writing and copies will be posted to the INPRS website.

If it becomes necessary to revise any part of this RFP or provide additional interpretation of a provision, an addendum will be posted to the INPRS website prior to the due date for proposals. If such addendum issuance is necessary, the Procurement Officer may extend the due date and time of the proposals to accommodate such additional information requirements, if necessary.

1.7 Invitation to Submit Proposals

All proposals must be **emailed no later than October 12, 2012, at 3:00 PM EDT to procurements@inprs.in.gov AND to PrivateEq@sis-sf.com**. Each Respondent must also submit one original and one electronic copy of the Respondent's proposal on CD-ROM, including the transmittal letter and other related documentation as required in *Section 2.1* of this RFP to BOTH addresses listed below. The proposal must be clearly marked "Response to RFP 12-03 for Indiana Investment Fund II" with a postmark no later than October 12, 2012 and addressed/delivered to:

Stanton Lanman
Procurement Officer
Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204

Pete Keliuotis
Managing Director
Strategic Investment Solutions, Inc.
333 Bush St., Ste 2000
San Francisco, CA 94104

Any proposal emailed after the above date and time will not be considered. The electronic submission will be considered the document of record. Any late proposals will be returned to the Respondent unopened within thirty (30) days of filing upon request.

1.8 Modification or Withdrawal of Offers

Responses to this RFP may be modified or withdrawn in writing (by facsimile or mail), if modifications are received prior to the date specified for receipt of proposals. The Respondent's authorized representative may also withdraw the proposal in person, with proper identification and execution of a receipt for the proposal. Modification to or withdrawal of a proposal received after the date specified for receipt of proposals will not be considered.

INPRS may, at their option, allow all Respondents a five-calendar-day period to correct errors or omissions to their proposals. Should this necessity arise, INPRS will contact each Respondent affected. Each Respondent must submit written corrections to the proposal within five calendar days of notification. The intent of this option is to allow proposals with only minor errors or omissions to be corrected as deemed necessary by INPRS. Major errors or omissions, such as the failure to include prices, will not be considered by INPRS as a minor errors or omission and may result in disqualification of the proposal from further evaluation.

1.9 Confidential Information

Respondents are advised that materials contained in proposals are subject to the Indiana Access to Public Records Act, IC 5-14-3 et seq., and, after the contract award, may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the Indiana Public Records Act must place all confidential documents or information (including the requisite number of copies) in a sealed envelope clearly marked "Confidential" and must indicate in the transmittal letter and on the outside of the envelope that confidential materials are included. The Respondent must also specify which statutory exception applies.

INPRS reserves the right to make determinations of confidentiality. If INPRS does not agree that the information designated is confidential under one of the disclosure exceptions to the Indiana Access to Public Records Act, it may either reject the proposal or discuss its interpretation of the allowable exceptions with the Respondent. If an agreement can be reached, the proposal will be considered. If an agreement cannot be reached, INPRS will remove the proposal from consideration for award and return the proposal to the Respondent. INPRS does not consider prices to be confidential information.

1.10 RFP Response Costs

INPRS accepts no obligation for costs incurred by Respondents in preparation of a proposal or any other costs incurred in anticipation of being awarded a contract.

1.11 Proposal Life

All proposals made in response to this RFP must remain open and in effect for a period of not less than 180 days after the due date specified above. Any proposal accepted by INPRS for the purpose of contract negotiations shall remain valid until superseded by a contract or until rejected by INPRS.

1.12 Taxes

INPRS is exempt from federal, state, and local taxes. INPRS will not be responsible for any taxes levied on the Respondent as a result of any contract resulting from this RFP.

1.13 Secretary of State Registration

Before an out-of-state corporate Respondent can do business with INPRS, the Respondent must be registered with the Indiana Secretary of State. If an out-of-state corporate Respondent does not have such registration at present, the Respondent should contact:

Secretary of State of Indiana
Corporations Division
302 West Washington Street, E018
Indianapolis, IN 46204
(317) 232-6576

for the necessary registration application form, or it can be accessed via the internet at <http://www.in.gov/icpr/2362.htm>. It is each Respondent's responsibility to register prior to the initiation of any contract discussions, but registration is not a requirement to submit a response.

1.14 Discussion Format

INPRS reserves the right to conduct discussions, either oral or written, with those Respondents determined by INPRS to be reasonably viable to being selected for award. INPRS also reserves the right to seek clarification to resolve issues as deemed necessary by INPRS.

1.15 Compliance Certification

Responses to this RFP serve as a representation that the Respondent has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana, and Respondent agrees that it will immediately notify INPRS of such actions should they arise. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees, or other statutory, regulatory, or judicially required payments to the State of Indiana. The Respondent agrees that INPRS may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that INPRS may bar the Respondent from contracting with INPRS, cancel existing contracts, withhold payments to set off such obligations, and withhold further payments or purchases until the entity is current in its liability to the State of Indiana and has submitted proof of such payment to INPRS.

1.16 Summary of Milestones

The following is the expected timeline for this solicitation:

ACTIVITY	EXPECTED DATE
Release of RFP	September 26, 2012
Respondent's Inquiry Period Ends	October 3, 2012, 3:00 P.M. (EDT)
Answers to Inquiries Published to Website	October 5, 2012
Respondent Electronic RFP Submissions Due	October 12, 2012, 3:00 P.M. (EDT)
Discussion and/or site visits (if necessary)	Week of October 15
Selection of Manager/Partner	October 2012

SECTION 2 – PROPOSAL CONTENT REQUIREMENTS

2.1 General Instructions

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is documented in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below.

A complete proposal will include the following:

- Electronic submissions as per the guidelines in *Section 1.7* of this RFP.
- Hard copy submission of a transmittal letter (with the information in *Section 2.2* of this RFP).
- Hard copy submission of a business proposal (with the information and attachments described in *Section 2.3* of this RFP).
- Hard copy submission of a fee proposal (with the information in *Section 2.4* of this RFP).
- Original hard copy and a CD ROM of the entire proposal.

2.2 Transmittal Letter

The transmittal letter must be in the form of a letter and address the following topics:

2.2.1 Identification of RFP

The transmittal letter must first identify the RFP title and number.

2.2.2 Identification of Manager

The transmittal letter must identify the following information:

- Respondent Name
- Street Address
- City
- State
- ZIP
- Contact Name
- Phone
- Email

2.2.4 Signature of Authorized Representative

An authorized representative of the Respondent must sign the transmittal letter. Respondent personnel signing the transmittal letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section must contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

2.2.5 Other Information

Any other information the Respondent may wish to briefly summarize will be acceptable.

2.3 Business Proposal

The business proposal must contain the required information and be organized under the specific section titles as listed below.

2.3.1 Executive Summary

Provide a high level description of the proposed scope of services.

2.3.2 Relevant Experience

See Appendix C Questionnaire.

2.3.3 Organizational Capability

Describe the Respondent's organizational capability to provide the scope of work described in *Section 3* and *Appendix A* of this RFP. To demonstrate organizational capability, provide the following:

i. Personnel

See Appendix C Questionnaire.

ii. Registration to do Business

Respondents proposing to provide services required by this RFP are required to be registered to do business within the state with the Indiana Secretary of State. The contact information for this office may be found in *Section 1.13* of this RFP. This process must be concluded prior to contract negotiations with INPRS. It is the Respondent's responsibility to successfully complete the required registration with the Secretary of State. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

iii. Financial Statements and Quality Assurance Report

This section must include the Respondent's financial statements, including an income statement and balance sheet for each of the two most recently completed fiscal years. In addition, please provide a copy of the Respondent's most recent financial statement audit report

iv. Subcontractors

The Respondent must list any subcontractors that are proposed to be used in providing the required Services. The subcontractor's responsibilities under the Proposal, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any

responsibilities in responding to this RFP or in completing the commitments documented in the Proposal.

2.3.4 Required Questionnaire, Appendix C

Complete the questionnaire, Appendix C. *Please complete the questionnaire bearing in mind the investment objective of the mandate and the investment opportunities that will be funded.*

2.3.5 Contract

A Limited Partnership Agreement (“LPA”) for IIF-II will be drafted upon completion of this search, with terms negotiated between INPRS and the selected Manager/General Partner.

2.3.6 Assumptions

List any assumptions made by the Respondent in developing the response to this RFP, including INPRS responsibilities.

2.4 Fee Proposal

Please provide a detailed fee proposal, including management fees, preferred return, carried interest, organization expenses, and fee offsets (please refer to *Section 3 – Scope of Services* and the *Draft Summary of Terms* in Appendix A for the basis for the proposed fee calculations). Fee calculations/formulas shall assume U.S. dollars. The proposed fees shall include all costs for providing Services to INPRS as described and shall be guaranteed through the contract term. In no case will the final fee be higher than the fee contained in the Proposal. Please complete the “Draft Summary Terms” provided in Appendix A.

FAILURE TO SUBMIT A DETAILED FEE PROPOSAL AS OUTLINED IN APPENDIX A MAY ELIMINATE A RESPONDENT’S ORGANIZATION FROM CONSIDERATION.

SECTION 3 – SCOPE OF SERVICES

The objective of this RFP shall be to identify Respondents with the skills, expertise and resources to implement and administer a customized private equity separate account program (Indiana Investment Fund II, or “IIF-II”) on behalf of INPRS, **and also to assume management of** Indiana Future Fund I, LLC, Indiana Investment Fund, L.P., Indiana Investment Fund-A, L.P., Credit Suisse/Indiana Venture Fund, L.P., Indiana Co-Investment Fund, L.P., and iNext Fund, L.P. (the “Pre-existing Funds”), including all co-investments previously made under or related to these programs. It is expected that one Respondent will be retained.

IIF-II will seek to pursue investment opportunities with fund managers located in Indiana or located outside of Indiana but which have significant nexus of activity with Indiana (“Indiana-Related GP’s”) and opportunistic direct and co-investments in Indiana-based businesses or businesses located outside of Indiana but which have significant nexus of activity with Indiana (“Indiana-Related Direct Investments”). IIF-II will have an opportunistic sector/industry focus and will allow for inclusion of equity and debt investments. In addition, IIF-II will allow for investments in areas outside of traditional private equity investments, including, but not limited to, opportunistic real estate investments.

The IIF-II program size is anticipated to be \$150 million, with approximately 33% invested in Indiana-related GPs and 67% allocated to opportunistic Indiana-Related Direct Investments.

The selected Manager/General Partner is expected to hire/retain at least two local (Indiana based) professionals (the “Local Staff”) to manage IIF-II and the Pre-existing Funds. The Local Staff are expected to devote 100% of their working time to IIF-II and the Pre-existing Funds.

SECTION 4 – CONTRACT AWARD

Based on the results of this process, the qualifying proposal determined to be the most advantageous to INPRS, taking into account all of the evaluation factors, may be selected by INPRS for further action, such as contract award. If, however, INPRS decides that no proposal is sufficiently advantageous, INPRS may take whatever further action is deemed best in its sole discretion, including making no contract award. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, INPRS may begin contract preparation with the next qualified Respondent or determine that it does not wish to award a contract pursuant to this RFP.

INPRS reserves the right to discuss and further clarify proposals with any or all respondents. Additionally, INPRS may reject any or all proposals received or to award, without discussions or clarifications, a contract on the basis of proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

The Executive Director or his designee(s) will, in the exercise of his/her discretion, determine which proposal(s) offer the best means of servicing the interests of INPRS. The exercise of this discretion will be final.

4.1 Length of Contract

The term of the contract entered into under this RFP shall be for an initial period of ten (10) years, beginning from the date of final execution of contract. There may be two (2) one-year extensions of the term of the contract under the same terms and conditions at INPRS' option. Total contract period shall not exceed twelve (12) years

4.2 Minority Business Development

The contract goal is that at least eight percent (8%) of state contracts be with minority and women business enterprises as defined in IC 4-13-16.5. This goal is established under IC 4-13-16.5-2 (f) (7). It is the intent of INPRS to meet or exceed the 8% minority and women's business enterprise participation goal when possible.

4.3 Evaluation Criteria

Proposals will be evaluated based upon the proven ability of the Respondent to satisfy the requirements in an efficient, cost-effective manner, taking into account quality of service with minimal tolerance for error.

Specific criteria include:

1. Experience with similar mandates as reviewed in this RFP
2. Minimum firm-wide private equity AUM of \$1 billion, as measured on an invested basis
3. Performance (for other separate accounts and/or commingled funds managed by the Respondent)
 - (a) Net IRR, DPI, and TVPI comparison by vintage year against Cambridge Associates' Fund-of-Funds universe and (b) net IRR pooled average and vintage year comparison against the public market equivalent, Russell 3000 + 300 basis points
4. Investment Process

- Well defined and consistent process
- 5. Organizational Structure
 - Stability and independence of ownership and business strategy
- 6. Investment Professionals
 - Integrity, depth, market-cycle experience and stable tenure of responsible managers
 - Ability and willingness to provide the resources needed to meet the Fund's objectives, including in-state personnel.
- 7. Risk Management
 - Risk controls, resources and oversight
- 8. Terms and Conditions
 - Competitive fees
 - Alignment of interests with INPRS
- 9. Experience and knowledge of the private equity market and opportunities in Indiana
- 10. Compliance with INPRS' Investment Policy Statement

All Proposals will be reviewed by INPRS's private markets investment consultant, Strategic Investment Solutions, Inc. INPRS reserves the right to award a contract to the Respondent which, in its sole opinion, will be most advantageous to the System. INPRS is not required and will not be obligated to award this contract to the firm with the lowest cost.

References may be contacted. It is possible that finalists will be interviewed by persons participating in the selection process.

APPENDIX A

DRAFT IIF-II SUMMARY OF TERMS

This draft is for discussion purposes only and is intended to summarize the key proposed terms of a follow-on Indiana Investment Program for the Indiana Public Retirement System (“INPRS”).

Program: A follow-on customized private equity separate account program, Indiana Investment Fund II (“IIF-II”), to the Indiana Investment Fund and the Indiana Investment Fund-A (together, “IIF-I”).

Additionally, the selected manager will assume management of the Indiana Future Fund I, LLC, Indiana Investment Fund, L.P., Indiana Investment Fund-A, L.P., Credit Suisse/Indiana Venture Fund, L.P., Indiana Co-Investment Fund, L.P., and iNext Fund, L.P. (collectively, the “Pre-Existing Funds”) including all co-investments previously made under or related to these programs.

Investment Objective: IIF-II will seek to pursue investment opportunities with fund managers located in Indiana or located outside of Indiana but which have significant nexus of activity with Indiana (“Indiana-Related GP’s”) and opportunistic direct and co-investments in Indiana-based businesses or businesses located outside of Indiana but which have significant nexus of activity with Indiana (“Indiana-Related Direct Investments”). IIF-II will have an opportunistic sector/industry focus and will allow for inclusion of equity and debt investments. In addition, IIF-II will allow for investments in areas outside of traditional private equity investments, including, but not limited to, opportunistic real estate investments.

Program Size: \$150 million – no mandated split between Indiana-Related GP’s and Indiana-Related Direct Investments, however, anticipated targeted split will be: 33% (\$50M) to Indiana-Related GP’s and 67% (\$100M) to opportunistic Indiana-Related Direct Investments.

Investment Type: IIF-II will focus on investment opportunities in various stages of funding, including, but not limited to:

- Venture Capital
- Growth capital;
- Buyout;
- Debt Related (senior, unitranche, mezzanine, bridge financing, etc...) and;
- Opportunistic Real Estate

Geography: IIF-II will invest in Indiana-Related GP’s and companies which (1) are based in Indiana, (2) are planning to move some or all of their operations to Indiana, or (3) have some other meaningful connection to Indiana. Such companies shall include, but are not limited to, companies that:

- Are headquartered in Indiana;
- Conduct a significant portion of their operations in Indiana;
- Are in the process of initiating, expanding and/or consolidating

- operations in Indiana; or
- Employ a significant portion of their workforce in Indiana.

Term:	10 year term subject to 2 one-year extensions with INPRS approval
Commitment Period:	4 years
Management Fees:	To be proposed by Respondent, subject to final negotiation with INPRS
Preferred Return:	To be proposed by Respondent, subject to final negotiation with INPRS
Carried Interest:	To be proposed by Respondent, subject to final negotiation with INPRS. Distribution priorities and carried interest percentage should be described in detail.
General Partner Commitment:	To be proposed by Respondent, subject to final negotiation with INPRS
Clawback:	General Partner “lookback” or clawback and related guarantees
Partnership Expenses:	Paid by manager out of management fee
Organizational Expenses:	To be proposed by Respondent, subject to final negotiation with INPRS
Waterfall:	Treatment of Indiana-Related Direct Investments to be proposed by Respondent, subject to final negotiation with INPRS.
Key Person Provision:	Yes, to be proposed by Respondent, subject to final negotiation with INPRS. Who will qualify as a key person is based on manager selection.
No Fault Divorce:	60 day notice
Dedicated Staff/ Time Commitment	The manager will hire/retain at least two local (Indiana based) professionals (the “Local Staff”) to manage IIF-II and the Pre-existing Funds. The Local Staff shall devote 100% of its working time to IIF-II and the Pre-existing Funds.
Investment Size Restrictions	<p>IIF-II will not invest more than 15% of its total capital commitments (inclusive of follow-on investments) in any single Indiana-Related GP or Indiana-Related Direct Investment.</p> <p>IIF-II’s commitment to any Indiana-Related GP shall not represent more than 15% of the total capital commitments to such Indiana-Related GP.</p>

ATTACHMENT 1

INVESTMENT POLICY STATEMENT

http://www.in.gov/inprs/files/INPRS_IPS_2012.pdf

APPENDIX B – MANDATORY RESPONDENT FORMS

B.1 Indiana Economic Impact Statement



INDIANA ECONOMIC IMPACT - PROPOSALS AND CONTRACTS

State Form 51778 (R5 / 3-06)

DEPARTMENT OF ADMINISTRATION

Approved by State Board of Accounts, 2006

This information is required by the Indiana Department of Administration for all contractors, vendors/suppliers to the State of Indiana (complete all 22 items).

1	Legal Name of firm:	
2	Address/City/State/Zip Code:	
3	Telephone #/Fax #/Website:	
4	Federal Tax Identification Number:	
5	State/Country of domicile/incorporation:	
6	Location of firm's headquarters or principal place of business:	
7	Name of parent company or holding company (if applicable):	
8	State/Country of domicile/incorporation of company listed in #7:	
9	Address of company listed in #7:	
10	IN Department of Workforce Development (DWD) account number:	
11	IN Department of Revenue (DOR) account number:	
12	Number of Indiana resident employees per most recently completed IRS Form W-2 distribution:	
13	Total number of employees per most recently completed IRS Form W-2 distribution:	
14	Total amount of payroll paid to Indiana resident employees per most recently completed IRS Form W-2 distribution:	
15	Total amount of payroll paid to all employees per the most recently completed IRS Form W-2 distribution:	
16	Total amount of this proposal, bid, or current contract:	

ACCOUNTING OF INDIANA RESIDENT EMPLOYEES

17	<u>Prime Contractor Company</u> Name:	
18	<u>Number of Full Time Equivalent (FTE) employees</u> that are Indiana residents specifically for this proposal or contract:	

19	<u>Subcontractor Company</u> Name:				
20	Address/Contact Person/Telephone Number/Tax ID Number:				
21	<u>Number of Full Time Equivalent (FTE) employees</u> that are Indiana residents specifically for this proposal or contract:				

22	<u>Affirmation by authorized official:</u> I affirm under penalties of perjury that the foregoing representations are true to be the best of my knowledge and belief:				
	Signature:				
	Name of auththorized official:				
	Title:				
	Date:				

B.2 Taxpayer Identification Number Request

Purpose of form: We are required to file an information return with the IRS and must get your correct taxpayer identification number (TIN) to report our payments to you.

Use Form W-9 on the reverse side, if you are a U.S. person (including a U.S. resident alien), to give us your correct TIN and, when applicable to:

1. Certify the TIN you are giving is correct.
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are an exempt payee.

If you do not provide us with the information, your payments may be subject to 31% federal income tax backup withholding. Also, if you do not provide us with information, you may be subject to a \$50.00 penalty imposed by the Internal Revenue Service per I.R.C. 6723.

Federal law on backup withholding preempts any state and local law remedies, such as any rights to a mechanic's lien. If you do not furnish a valid TIN, or if you are subject to backup withholding, the payer is required to withhold 31% of its payment to you. Backup withholding is not a failure to pay you. It is advance tax payment. You should report all backup withholding as a credit for taxes on your federal income tax return.

Specific Instructions: Enter your legal name on that line. Your legal name is the one that appears on your Social Security Card or Employer Identification Number if a business. If you are a sole proprietor, then your legal name is the business owner's name. If you have a "doing business as" (d/b/a) name, enter on the trade line. Enter your remit address on the next line, and if you have a separate address for purchase orders, enter that address on the appropriate line.

Next, select the organization type for your name, check the box, and record the appropriate taxpayer identification number (TIN) in the space provided. Notice that individuals and sole proprietors are the only types with a social security number. If you are a corporation or an exempt 501(a) organization, you must answer yes or no on legal and medical services. If you are sole proprietor you must show the business owner's name in the legal box, and the business name in the trade name box. You cannot use only the business name. For the TIN, you may use either the individual's SSN or the employer identification number (EIN) of the business. However, the IRS prefers that you show the SSN.

Finally, complete the certification section, sign and date the form.

If you are a foreign person, use the appropriate Form W-8.

Substitute Form
State Form 23743 (R 07/01)

Approved by State Board of Accounts 2001
Approved by Auditor of State 2001

Taxpayer Identification Number Request

State of Indiana

W-9

DO NOT send to IRS

Print or Type	Return to address below
Legal Name (OWNER OF THE EIN OR SSN AS NAME APPEARS ON IRS OR SSN RECORDS) DO NOT ENTER THE BUSINESS NAME OF A SOLE PROPRIETORSHIP ON THIS LINE	
Trade Name Complete only if doing business as (D/B/A)	
Remit Address	
Purchase Order Address-Optional	
Check legal entity type and enter 9 digit taxpayer identification Number (TIN) below: (SSN = Social Security Number, EIN = Employer Identification Number)	SSN or EIN must be for legal name above
<input type="checkbox"/> Individual (Individual's SSN)	_____ - _____
<input type="checkbox"/> Sole Proprietorship (Owner's SSN or Business EIN) SSN	_____ - _____
	EIN _____ - _____
<input type="checkbox"/> Partnership <input type="checkbox"/> General <input type="checkbox"/> Limited (Partnership's EIN)	_____ - _____
<input type="checkbox"/> Estate/Trust (Legal Entity's EIN)	_____ - _____
Note: Show the name and number of legal trust, or estate, not personal representatives	
<input type="checkbox"/> Other (Limited Liability Company, Joint Venture, Club, ect) (Legal Entity's EIN)	_____ - _____
<input type="checkbox"/> Corporation Do you provide legal or medical serv. <input type="checkbox"/> Yes <input type="checkbox"/> No (Corp's EIN)	_____ - _____
<input type="checkbox"/> Government (or Government operated entity) (Entity's EIN)	_____ - _____
<input type="checkbox"/> Organization Exempt from Tax under Section 501(a) Do you provide medical services? <input type="checkbox"/> Yes <input type="checkbox"/> No (Org's EIN)	_____ - _____
<input type="checkbox"/> Check here if you do not have a SSN or EIN but have applied for one.	

Under Penalties of perjury, I certify that:

(1) The number listed on this form is my correct Taxpayer Identification Number (Or I am waiting for a number to be issued to me) AND
(2) I am not subject to backup withholding because: (a) I am exempt from the backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, and acquisition or abandonment of secured property, contribution to an individual retirement arrangement (IRA), and payments other than interest and dividends.)
CERTIFICATION INSTRUCTIONS- You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

THE IRS DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

I am a U.S. person (including a U.S. resident alien)

Name (Print or Type)

AUTHORIZED SIGNATURE

Title

Date

Phone

Agency

Agency use only

☐ Yes

☐ No

Approved by

1099

REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION

B.3 Application for Certificate of Authority of a Foreign Corporation



APPLICATION FOR CERTIFICATE OF AUTHORITY OF A FOREIGN CORPORATION

State Form 38784 (R9/ 12-02) Corporate Form 112
Approved By State Board Of Accounts, 1995

TODD ROKITA
SECRETARY OF STATE
CORPORATIONS DIVISION
302 W. Washington St., Rm. E018
Indianapolis, IN 46204
Telephone: (317) 232-6576

Indiana Code 23-1-49-1 et seq.
23-1-49-3

Filing Fee: \$90.00

NOTES:

1. An Original Certificate of Existence duly authenticated by the proper authority from corporation's domiciliary state within the last sixty (60) days must be submitted with this application.
2. A Registered Agent with an Indiana street address (not a PO BOX) must be listed in ARTICLE III.

INSTRUCTIONS:

- Use 8 1/2" x 11" white paper for attachments.
- Present original and one copy to address in the upper right corner of this form.
- Please TYPE or PRINT.
- Please visit our office on the web at www.sos.in.gov.

APPLICATION FOR CERTIFICATE OF AUTHORITY OF <hr style="width: 80%; margin: auto;"/> A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF INDIANA
<p>The undersigned officer of the above corporation which was formed as:</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input type="checkbox"/> A general business corporation <input type="checkbox"/> A professional corporation </div> <p>desiring to effectuate the admittance of the Corporation to transact business in the State of Indiana, certifies the following facts:</p>

ARTICLE I: Name		
Name of Corporation (Must be identical to name shown in Articles of Incorporation and Amendments thereto)		
ARTICLE II: Address of Corporation		
Address of the principal office of corporation (Number and street, city, state and ZIP code)		
ARTICLE III: Registered Office and Registered Agent		
Name of the Registered Agent of the corporation (cannot be the corporation itself)		
Indiana address of the registered office of corporation (Number and street, city; P.O. Box not accepted)	INDIANA	ZIP code
ARTICLE IV: Date and State of Incorporation and Duration of Existence		
Date of incorporation in domiciliary state:	State of incorporation	
Expected period of duration listed in the Articles of Incorporation (perpetual, term of years or date certain e.g. December 31, 2050)		
ARTICLE V: Corporate Officers		
The names and business addresses of the officers of the Corporation:		
Name	Title	Address (Number, street, city, state and ZIP code)

APPENDIX C QUESTIONNAIRE

Indiana Public Retirement System

Indiana Investment Fund II

I. Firm Background and General Description

1. **Classification.** Respondent should indicate the firm's fiduciary classification such as a bank, insurance company, or registered investment advisory (Investment Advisors Act of 1940).
2. **Brief History.** Respondent should provide a five year history of the firm including (a) month and year of the firm's fiduciary classification; (b) history of the firm's involvement in investment management; (c) the month and year the firm began managing similar proposed mandates encompassing the following: (i) In-State Manager Programs; (ii) direct investments or co-investments with significant connections to Indiana; (iii) acting as a replacement manager for In-State Manager Programs; (iv) acting as a replacement manager for general private equity fund investments; (v) experience with direct private equity, debt, and real estate investments; and (vi) experience with private equity, debt, and real estate fund investments.
3. **Ownership Structure.** Respondent should describe how their firm is legally organized, the year it was founded, and its ownership structure. If there have been any changes to Respondent's structure within the last five years, please explain. Does Respondent anticipate any ownership or organizational change during the next five years? If so, please explain.
4. **Assets under Management.** Respondent should provide total assets under management, private equity assets on an invested basis, and real estate assets on an invested basis for each of the past five years (each as of June 30).
5. **Staffing of Investment Professionals.** Respondent should list the total number of investment professionals who would be directly involved in the management of IIF-II and the Pre-existing Funds and how long the team has been together. Respondent should include the background of these investment professionals, including their prior employment history, start date, area of focus and number of relationships they manage and oversee. Respondent should provide a detailed organizational chart

that diagrams how investment professionals will support the different functions dedicated to meet the Scope of Services in *Section 3*.

6. **Staff Turnover.** Indicate when and why any professionals (whether employees, consultants, etc.) dedicated to a similar mandate left the firm in the past five years. Please indicate job titles and years with the firm and who replaced them.
7. **Non-Investment Professional and Resources.** Respondent should list the total number of back office operations professionals that would support IIF-II and the Pre-existing Funds, including locations of the back office and resources devoted to contract review.
8. **Compensation and Evaluation.** Respondent should describe the compensation and incentive program for professionals that would be directly involved in IIF-II and the Pre-existing Funds. How are they evaluated and rewarded? What incentives are provided to attract and retain superior individuals?
9. **Litigation or Disciplinary Action.** Respondent should describe whether the firm (including any affiliate or parent relationships, such as the ultimate parent or other entities involved in investment management) or any of the investment professionals have been involved in any litigation or disciplinary action concerning investments advice or activity.
10. **Insurance.** Respondent should describe what fiduciary liability insurance it carries and the level of coverage.
11. **Disaster Recovery Plans.** Respondent should detail their internal systems for discovery recovery.

II. Conflicts of Interest and Compliance

1. **Conflicts of Interest.** Respondent should describe how it addresses potential and perceived conflicts of interest between key investment professionals and the firm's investments, including other In-State Manager Programs.

In addition, Respondent should describe how the firm addresses potential conflicts of interest between its various businesses. Respondent should identify any real or perceived conflicts between existing business and personal investment activities. If Respondent maintains a Code of Ethics, please attach.

2. **Compliance.** Respondent should provide a detailed summary of the firm's compliance regime, including identifying senior or key personnel in the firm's compliance process.
3. **Internal Controls.** Respondent should also provide a detailed summary of the firm's internal control structure. Does the Respondent conduct a periodic risk assessment? Provide a copy of SSAE No. 16 if available, or other internal control review documentation, preferably prepared by an independent third party.

III. Investment Philosophy, Process, and Capabilities

1. **Investment Philosophy.** Respondent should describe the firm's investment strategy for IIF-II, reviewing portfolio construction, return expectations, risks/concerns and effectively managing/mitigating these risks/concerns.
2. **Investment Discipline.** Respondent should describe the firm's investment discipline, including the process, timing and other factors for other Customized Private Equity Investment Programs. Respondent should detail what types of commitments were made and the quantitative and qualitative processes utilized.
3. **Risk.** Respondent should define risk for IIF-II and the Pre-Existing Funds. In addition, Respondent should describe how it will monitor and manage such risks.
4. **Sourcing.** Respondent should describe in detail how it sources attractive fund investment and co-investment opportunities and how deal teams are structured. This should include a description of any databases used to identify and select private markets investments and whether they were developed internally or purchased externally.
5. **Due Diligence.** Respondent should describe the due diligence procedures in-depth when evaluating investment opportunities, including financial, accounting, legal, and personnel reviews and reference checking processes. Please review staffing (e.g. deal teams) and the extent to which you use third party providers for any services needed for conducting due diligence.
6. **Investment Decisions.** Respondents should describe the final investment decision process and who contributes to the ultimate decision (e.g., Investment Committee).
7. **Unique Attributes.** Respondent should describe what unique attributes the firm has compared to other competitors and how these attributes may help INPRS achieve its objectives for IIF-II and the Pre-Existing Funds.

IV. Performance

1. **Customized Investment Programs.** For customized separate account programs and other similar investment funds managed by Respondent, please provide the following information: (1) fund name; (2) fund type (venture capital, buyout, mezzanine/subordinated debt, distressed, international, or diversified); (3) inception date; (4) close date; (5) capital committed; (6) capital invested; (7) capital distributed; and (8) gross and net IRR, DPI, and TVPI. If the fund is diversified, please state the target allocation for each of the sub-allocations.
2. **Companies with Significant Connections to Indiana and/or similar in-state mandates.** For direct investments and co-investments in private companies with significant connections to Indiana and/or similar in-state mandates, Respondent should submit for each company: (1) inception date; (2) close date; (3) capital committed; (4) capital invested; (5) capital distributed; and (6) gross and net IRR, DPI, and TVPI.
3. For all the information requested above, if available, submit a letter from an independent certified auditor or third-party vendor attesting to the accuracy of the information provided and that returns were calculated according to GIPS Standards. Additionally, please detail your valuation policy for each of the aforementioned programs, investment funds, and direct investments and co-investments.

V. Replacement Manager Experience

1. Please review your experience and process for stepping in as replacement private equity separate account manager. Please supply examples, if available, of past experiences as a replacement manager, summarizing any issues you encountered and how these issues were resolved. What steps are taken to ensure a seamless transition? Please review personnel, systems, and other resources utilized to assist in the transition process and to monitor the success of a given program after the transition was completed.
2. Analytics - Please review the analytics and systems utilized by the Respondent and to the extent possible, how these capabilities enhance monitoring and reporting (for example, web-based reporting, customized reports, etc.).
3. Please review your oversight/monitoring process and examples of reports you provide to clients and the frequency of these reports.

4. Please provide a step by step review of your plans to ensure the successful transition of the INPRS Pre-Existing Funds to your platform. An approximate timeline for the completion of each step would be helpful.
5. In reviewing the INPRS Pre-Existing Funds, do you foresee any issues of concern with executing the transfer or to monitor the program? If so, please review what steps you propose taking to mitigate these issues.
6. Please review your operations group, specifically the structure as it relates to accounting, performance measurement, legal, monitoring/reporting, finance, client service, and IT. Please include an organization chart and review staffing/capacity/workflow management and the general philosophy of the Operations group.

VI. Term Sheet Proposal

Respondent should provide a detailed term sheet prepared in accordance with Appendix A.

VII. References

1. **Customized Private Equity Investment Program Clients.** Respondent should provide the name of the entity, contact name, address, phone number, and email address of all client contacts for Customized Private Equity Investment Programs it manages and administers; if applicable, the same information should be supplied for existing direct investment or co- investment clients.
2. **Lost Private Equity Clients.** In addition, Respondent should provide references for **ALL** lost private equity clients (whether Customized Mandates or otherwise). This information should include entity, contact name, address, phone number, and email addresses.
3. **Senior Investment and Operations Personnel.** Respondent should provide the contact information, e-mail addresses and/or telephone numbers for all investment and operations professionals above the level of Associate who have departed the firm in the past five years.

VIII. Other Information

Respondent should submit the following additional information:

1. **ADV Parts I and II Form.** If applicable, Respondent should attach a copy of the current Form ADV Parts I and II of the firm and all other registered investment advisors (whether SEC or state registered) that are affiliated or related to the firm.
2. **Annual Financial Report.** Respondent should provide a copy of the firm's most recent audited financial statements which must include at least an income statement, balance sheet, statement of cash flows, and auditor's management letter.
3. **Sample Due Diligence.** Respondent should submit a sample due diligence report for an In-State Manager.
4. **Sample Performance and Monitoring Report.** Respondent should submit a sample internal performance and/or monitoring report or an annual/quarterly LP report for a Customized Private Equity Investment Program.